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BEFORE THE
FEDERAL ELECTION COMMISSION
OF THE
UNITED STATES OF AMERICA

In the Matter of:

George Soros

Fenton Communications

World Affairs Council of Philadelphia

Columbus Metropolitan Club

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Complaint

NATIONAL LEGAL AND POLICY CENTER, a corporation organized and existing under the District of Columbia Non-profit Corporation Act and having its offices and principal place of business at 107 Park Washington Court, Falls Church, VA 22046, files this complaint with the Federal Election Commission pursuant to 2 USC § 437g.

The primary purpose of the National Legal and Policy Center, a charitable and educational organization described in section 501(c)(3) of the Internal Revenue Code, is to foster and promote ethics in government and public life.

Respondents are individuals and corporations who have apparently knowingly and willfully violated federal law, specifically the Federal Election Campaign Act of 1971, as amended, ("the Act" and "FECA") and/or the Internal Revenue Code of the United States, and/or have apparently made illegal corporate contributions to influence a federal election.

Respondents

GEORGE SOROS, _____, New York, N.Y. 10106, (hereinafter "Soros") is a wealthy investor who undertook an independent expenditure campaign beginning in September 2004 explicitly aimed at defeating President Bush in the presidential election of 2004.

FENTON COMMUNICATIONS, 1320 18th Street, N.W., Fifth Floor, Washington, D.C. 20036 is a public relations firm which handled media relations for the Soros independent expenditure campaign to defeat President Bush in 2004.

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WORLD AFFAIRS COUNCIL OF PHILADELPHIA, One South Broad Street, 2 Mezz, Philadelphia, PA 19107 is a non-profit 501(c)(3) public charity which sponsored and promoted a speaking engagement for the Soros independent expenditure tour at the Union League of Philadelphia on October 6, 2004. The World Affairs Council's program for the Soros event thanked two business groups, Alta Management and Eastern Technology Council, for their "support" for the program.

COLUMBUS METROPOLITAN CLUB, 100 E. Broad Street, Suite 2350, Columbus, OH 43215 is a non-profit 501(c)(3) public charity which sponsored and promoted a speaking engagement for the Soros independent expenditure tour on October 13, 2004.

Facts

The facts supporting this complaint are amply documented from the public record. They fully support the allegation that Mr. Soros – in his zeal to defeat President Bush in the 2004 elections – ran a largely off-the-books independent expenditure campaign speaking and media tour of key swing states in the closing days of the campaign. While Mr. Soros did file his independent expenditures in the form of FEC Form 5 reports with the FEC (Committee ID C90008004), even a cursory examination shows that substantial expenditures associated with Mr. Soros's efforts to influence the election went undisclosed.

That the purpose of the Soros independent expenditure campaign was to defeat President Bush in the 2004 election is beyond dispute. Mr. Soros declared as much in his FEC Form 5 filings which he personally signed.

If any doubt as to the purpose remains, it is quickly answered by reviewing the newspaper ads, direct mail, speeches and the paperback book associated with the independent expenditure tour. The headline on Mr. Soros's lead ad – stretched across two full newspaper pages and posted to his web page states, "WHY WE MUST NOT RE-ELECT PRESIDENT BUSH – A PERSONAL MESSAGE FROM GEORGE SOROS."

The zeal of Mr. Soros in his efforts to defeat the President was evident nearly a year before the election as a November 11, 2003 *Washington Post* article "Soros's Deep Pockets v. Bush – Financier Contributes \$5 Million More in Effort to Oust President," indicates:

Now he [Soros] has a new project: defeating President Bush.

"It is the central focus of my life," Soros said, his blue eyes settled on an

unseen target. The 2004 presidential race, he said in an interview, is a "matter of life and death."¹

At the conclusion of the same article, Mr. Soros further underscored how passionate he was to defeat the president:

Asked whether he would trade his \$7 billion fortune to unseat Bush, Soros opened his mouth. Then he closed it. The proposal hung in the air: Would he become poor to beat Bush?

He said, "If someone guaranteed it."

The tour was kicked off with a press event at the National Press Club in Washington, DC, on September 28, 2004 and it closed with a press event at the same location on October 28, 2004. Between these two events, Soros spent millions of dollars on an independent expenditure campaign that included:

- a two million piece mailing to voters in swing states
- printing and distribution of 50,000 copies of Mr. Soros's book "The Bubble of American Supremacy"²
- newspaper ads – two full pages each – in 36 newspapers at a reported cost of \$2 million³
- visits to 11 cities in swing states by Mr. Soros and his entourage for speeches, media gatherings and distribution of anti-Bush printed materials.⁴ According to information available at Mr. Soros' website (www.georgesoros.com) and attached as Exhibit A, Mr. Soros took his anti-Bush independent expenditure speaking tour to the following cities:

Oct. 5, 2004

Pittsburgh, Pa.

Oct. 6, 2004

Philadelphia, Pa.

¹ See "Soros's Deep Pockets v. Bush – Financier Contributes \$5 Million More in Effort to Oust President," by Laura Blumenfeld, *Washington Post*, November 11, 2003, page A03

² See "The Money Man – Can George Soros's millions insure the defeat of George Bush?," by Jane Mayer, *The New Yorker*, October 18, 2004, at page 181

³ See "Billionaire ponies up millions more for political ads," by Tom Held, *Milwaukee Journal Sentinel*, October 8, 2004, at page 9

⁴ See "George Soros Kicks Off Multi-City Speaking Tour in Pittsburgh Tomorrow; Announces Additional \$1.5 Million in Print Ads in Campaign Against Bush Iraq Policy; Effort Announced Last Week Includes New Website, Mailing to Two Million Voters and Speeches in 10-12 Cities," press release by Fenton Communications posted on www.GeorgeSoros.com on October 4, 2004; Release also stated, "At most stops, he [Soros] will be delivering one public speech and conducting local media interviews. For media requests in these cities and nationally, please contact Jessica Smith or Brendan McCarthy at Fenton Communications, 202-822-5200."

Oct. 11, 2004	Boston, Ma.
Oct. 12, 2004	Minneapolis, Mn.
Oct. 13, 2004	Columbus, Oh.
Oct. 19, 2004	Harrisburg, Pa.
Oct. 20, 2004	Sarasota, Fl.
Oct. 20, 2004	Miami, Fl
Oct. 22, 2004	Des Moines, Ia.
Oct. 25, 2004	Cleveland, Oh.
Oct. 26, 2004	Akron, Oh

- professional support for the tour by a team of media relations staffers and – to use Mr. Soros's term – “a bevy of lawyers”⁵

Perhaps a final rejoinder to anyone who might deny the purpose of the Soros month-long effort to use his resources to try to defeat President Bush is the opening line from the speech given by Mr. Soros at the October 28, 2004 press conference, “I have been crisscrossing the country for the last three weeks arguing against the reelection of President Bush.”⁶

As this complaint demonstrates – and any examination of the Soros FEC Form 5 reports confirms – there are no disclosures by Mr. Soros for such independent expenditures associated with the campaign just described for list rental for the two million piece mailing, legal expenses, media relations professional services, the printing of 50,000 paperback books, transportation and lodging for the Soros entourage, and a host of other expenses one would expect from a multi-billionaire on a multi-city tour in what he considers a “life or death” effort.

There is no doubt that Mr. Soros could afford such expenses but the FEC Act and regulations require public disclosure in a timely manner. Failure to properly disclose is not only a violation of the core principles of election law but it also raises other possible questions. One major question is whether corporations or non-profit organizations contributed to this independent expenditure in possible violation of both disclosure laws

⁵ See “Anti-Bush Billionaire Plans to Give More,” by Katharine Q. Seelye, *The New York Times*, September 29, 2004, at page 19

⁶ See “A Final Appeal From George Soros – Why We Must Not Re-elect President Bush,” speech delivered at the National Press Club by George Soros on October 28, 2004, <http://www.georgesoros.com/speech.htm>

as well as other federal laws. The failure of Mr. Soros to disclose payments to Fenton Communications on his FEC Form 5 reports for anything other than "newspaper advertisement" raises the question as to how Mr. Fenton, his firm and professional staff were compensated for their obviously heavy involvement with the independent expenditure campaign. According to the Fenton Communications web site, not only does the firm represent Mr. Soros's non-profit charitable group, Open Society Institute, but the firm also represents "such clients as MoveOn.org, MoveOn.org Voter Fund, and MoveOn PAC."⁷ Mr. Soros was a major funder of MoveOn although it has been reported that MoveOn.org founder Wes Boyd had cautioned Soros that his independent expenditure campaign might make Soros "a distraction in the campaign."⁸ Soros's FEC Form 5 Reports disclose no contributions of money or in-kind contributions whatsoever from any other individual to the independent expenditure campaign funded by Mr. Soros.⁹

The participation of non-profit organizations in the Soros independent expenditure campaign, including Respondents World Affairs Council of Philadelphia and the Columbus Metropolitan Club, raise additional issues because both organizations are 501(c)(3) groups which are strictly prohibited from involvement in activities supporting or opposing candidates in elections. Both groups promoted the Soros visit with printed materials and other expenditures yet the Soros FEC Form 5 Reports disclose no financial dealings with either group.

While Mr. Soros failed to disclose a number of significant expenditures associated with his independent expenditure campaign in September and October of 2004, the facts about the activities underlying the expenditures are detailed below largely from media accounts and sometimes from materials produced by the Soros campaign itself.

1. Non-profit Corporations Support Soros's Independent Expenditure Campaign

Respondents World Affairs Council of Philadelphia and the Columbus Metropolitan Club are both non-profit corporations organized pursuant to 26 U.S.C. 501(c)(3).¹⁰

George Soros was the featured speaker on October 6, 2004 at the World Affairs Council of Philadelphia. The event was held at the Union League of Philadelphia and featured a lunch. The event was open to the public. The printed program for the event thanked the Eastern Technology Center¹¹ "for their support of this program" and also thanked Alta Management, LLC¹² for sponsoring the program.¹³ There was no mention

⁷ See <http://www.fenton.com/team/asmith.asp>

⁸ See "The Money Man - Can George Soros's millions insure the defeat of George Bush?," by Jane Mayer, *The New Yorker*, October 18, 2004, at page 181

⁹ See FEC Form 5 Reports filed by George Soros (C90008004), Line 6, "Total Contributions," for reports filed on 9/30/04, 10/1/04, 10/27/04, 10/29/04, 11/1/04, and 11/4/04

¹⁰ See www.guidestar.org for IRS Form 990 annual financial disclosures

¹¹ See Eastern Technology Council, 435 Devon Park Drive, Building 600, Suite 613, Wayne, PA 19083, <http://www.techcouncil.org>

¹² See Alta Management, LLC, 82 Worman Road, Douglassville, PA 19518, <http://www.altaamgmt.com>

as to how much was spent by the World Affairs Council, Eastern Technology Center and Alta Management, LLC, for the event and the Soros FEC Form 5 Reports disclose no in-kind or financial contributions from any of the three groups to the independent expenditure. Similarly, there is no record in any of Mr. Soros's reports showing any payment to the World Affairs Council of Philadelphia.

The event took place after Mr. Soros had announced his anti-Bush independent expenditure on September 28, 2004 and after the *Wall Street Journal* had run the two-page anti-Bush ad by Soros on September 29, 2004 with the headline, "WHY WE MUST NOT RE-ELECT PRESIDENT BUSH."¹⁴ There should not have been any doubt as to the political objective of the event. *The Philadelphia Inquirer* ran an account of the event with the headline, "Billionaire foe of Bush brings campaign to Phila." with the lead sentence stating:

Billionaire financier George Soros yesterday brought to Philadelphia his campaign to defeat President Bush, accusing the President of stifling dissent in the months before the war in Iraq.¹⁵

As with other stops along the independent expenditure tour, there was distribution of anti-Bush printed materials and a press event, in this case an editorial board meeting with the *Inquirer*.¹⁶ Other media accounts of the Soros speech underscored the political objective of the anti-Bush independent expenditure, including Mr. Soros's warning:

"If we now re-elect him [Bush], we are endorsing those policies, and we will have to live with the consequences."¹⁷

George Soros was the featured speaker at an event hosted by the Columbus Metropolitan Club on October 13, 2004. The luncheon was held at The Hyatt Regency in Columbus and was open to the public. A \$30 fee was to be made payable to the Columbus Metropolitan Club.

The press release announcing the event included a Columbus Metropolitan Club logo and listed club personnel as contacts. The release included the statement:

Soros's lecture is part of a 12-city speaking tour in October to bring his message on the war, American foreign policy and the election to business

¹³ See World Affairs Council of Philadelphia program for October 6, 2004 Soros luncheon, attached as Exhibit A

¹⁴ See "Soros steps up efforts to oust Bush," by Emily Fredrix, Associated Press, September 28, 2004

¹⁵ See "Billionaire foe of Bush brings campaign to Phila.," by Rose Clotta, *The Philadelphia Inquirer*, October 7, 2004

¹⁶ See *Id.*

¹⁷ See "He insists Bush is Soros of peril," by Chris Brennan, *Daily News*, October 7, 2004, <http://www.philly.com>

people, moderate Republicans and the academic community through advertising, direct mail, and media appearances.¹⁸

A flyer on the Columbus Metropolitan Club, part of the packet which included the news release, contained the following statement under the heading "Purpose and Mission."

We do not advertise, promote, oppose or endorse any candidate, organization or position.

Apparently, the Club had no problem making an exception to that policy by advertising and promoting Mr. Soros's speech and distributing printed materials as part of his anti-Bush independent expenditure campaign.

The newsletter for the Club left little doubt as to the political pitch made by Soros at the Club luncheon. The pull-out quote – taken directly from the Soros speech on October 13, 2004 – was:

"If we re-elect Bush, we face a vicious circle of violence with no end in sight. If we reject him, we have a chance." - George Soros¹⁹

On its face, this is a pretty clear example of a 501(c)(3) non-profit using its resources to promote a speech calling for the defeat of a candidate for public office, printing up press materials, renting a Hyatt Regency for the event and then using its newsletter to carry the message, "If we reject him we have a chance." Since a key part of the definition of an *independent expenditure*, according to 11 CFR § 110.16.16(a), is an expenditure "for a communication expressly advocating the election or defeat of a federal candidate," the expenditures by the Club to promote Mr. Soro's independent expenditure campaign with written materials, personnel, a speaking venue and other resources would appear to constitute just such an expenditure.

Local media coverage of the Columbus Metropolitan Club speech also gleaned the essential political message offered by Soros. The *Columbus Dispatch* ran a story on the event with the headline, "Billionaire brings crusade to oust President to Ohio." The Columbus event was described in the article as "part of his [Soros's] 12-city crusade to unseat the Republican president in the election Nov. 2."²⁰

As with other stops on the Soros independent expenditure campaign tour, copies of the Soros direct mail piece with the headline "Why We Must Not Re-elect President Bush" were distributed and Mr. Soros's assistant, Mr. Michael Vachon, was present as part of the campaign entourage. The media relations operation by Fenton

¹⁸ See "America's Role in the World and the U.S. Presidential Election," Columbus Metropolitan Club News Release, September 30, 2004

¹⁹ See Columbus Metropolitan Club newsletter, October 20, 2004, <http://www.sourcenews.com>.

²⁰ See "Billionaire brings crusade to oust president to Ohio," by Alan Johnson, *The Columbus Dispatch*, October 14, 2004, at page 8A

Communications put out a news release distributed to media at the event with the headline, "George Soros Criticizes Bush Iraq Policy in Columbus Speech." The release listed Brendan McCarthy and Jessica Smith of Fenton Communications as media contacts followed by the Fenton Communications Washington office phone number.²¹

There is no record of any of the expenditures by the Columbus Metropolitan Club as in-kind contributions to the Soros independent expenditure campaign on the FEC Form 5 Reports filed by Soros nor is there any record of Mr. Soros making any kind of payment to the Club or to the Hyatt Regency for the luncheon. And of course there are no expenditures for transportation, lodging, meals or other such expenses for Mr. Soros or any members of his entourage in connection with the Columbus event.

2. Who Paid for Fenton Communications?

Respondent Fenton Communications played a major role in the Soros anti-Bush independent expenditure campaign. According to the FEC Form 5 reports filed by Soros for his independent expenditure campaign, the following payments were made to Fenton Communications:

Expenditure Date	Purpose of Expenditure	Amount
9/29/04	Newspaper advertisement	\$266,000.
10/4/04	Newspaper advertisements	\$1,446,243.
10/26/04	Newspaper advertisements	\$84,000.
10/29/04	Newspaper advertisements	\$500,000.

There is no disclosure by Soros of any payment to Fenton Communications for any other purpose. The public record and materials produced by Fenton Communications and the Soros-funded independent expenditure campaign provide voluminous documentation – cited below – that Fenton Communications was heavily involved in planning and executing almost every facet of the media operations for the Soros tour. Fenton Communications professional staff, including David Fenton himself, played a dominant role in what one Fenton Communications press release described as "an intensive one-month campaign."²²

According to published accounts of the first press conference, Mr. Fenton of Fenton Communications played an active role in assisting Mr. Soros at the event:

²¹ See "George Soros Criticizes Bush Iraq Policy in Columbus Speech," October 13, 2004,

²² See "George Soros Criticizes Bush Iraq Policy in Columbus Speech," October 13, 2004 press release with contact information listing Brendan McCarthy and Jessica Smith of Fenton Communications

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"The offensive is aided by Fenton Communications, the left-wing public relations firm that counts MoveOn.org as one of its top clients. The firm's chairman, David Fenton, positioned himself beside Soros at Tuesday's press conference, controlling his message and who asked questions."²³

Other news media also reported the Fenton presence at the Soros press event.²⁴

The Press Advisory announcing the speaking tour that was posted at www.georgesoros.com on Oct. 4 was produced by Fenton Communications and carried the statement:

"For media requests in these cities and nationally, please contact Jessica Smith or Brendan McCarthy at Fenton Communications, 202-822-5200."²⁵

Press accounts provide further detail of the professional services rendered to Mr. Soros's independent expenditure speaking tour and how it dovetailed with other aspects of his independent expenditure campaign. For example, the *Duluth News Tribune* ran an Associated Press story on October 8, 2004 about targeted direct mail and newspaper ads sponsored by Mr. Soros as part of his campaign. Regarding the cost of the effort, the story quoted "Soros spokeswoman Carlyn Foster."²⁶ The webpage for Fenton Communications lists Carlyn Foster as a Fenton Communications Account Director.²⁷

A PR Newswire commercial press release dated October 28, 2004 with the headline, "George Soros Criticizes Bush Iraq Policy in Final Speech of Tour" listed "Kawana Lloyd of Fenton Communications" as a press contact.²⁸ The webpage for Fenton Communications lists Kawana Lloyd as a Fenton Communications Account Director.²⁹

The scope of professional services rendered to the Soros independent expenditure speaking tour is further illustrated by the number of professional public relations staff involved. A major article in the *Los Angeles Times* ("The Race for the White House; Financing His Own Anti-Bush Campaign; Billionaire George Soros plans a speaking tour in five battleground states to get 'my message out'") focused directly on the multi-city tour, stating:

²³ "George Soros Resurfaces to Bash Bush, Boost Kerry," by Robert B. Bluey, CNSNews.com, Wednesday, September 29, 2004

²⁴ See "Mogul plans speaking tour, ad campaign to beat Bush," By Jerry Seper, *Washington Times*, September 29, 2004, page A8

²⁵ See Exhibit B

²⁶ See "Billionaire George Soros brings case against Bush to Wisconsin," *Duluth NewsTribune.com*, Oct. 8, 2004

²⁷ See <http://www.fenton.com/team/cfoster.asp>

²⁸ See "George Soros Criticizes Bush Iraq Policy in Final Speech of Tour," PRNewswire, October 28, 2004

²⁹ See <http://www.fenton.com/team/klloyd.asp>

Soros plans to focus his efforts and money on states where the two presidential candidates are closest in the polls, visiting about a dozen key cities in five states.

Steve Smith, a spokesman for Soros, said the bulk of the money would go to newspaper ads and a drive aimed at distributing about 2 million pamphlets to American households.³⁰

The web page for Fenton Communications lists Steve Smith as a Fenton Communications Account Coordinator and states:

"...he works with clients including MoveOn.org, the MoveOn Voter Fund, and MoveOn PAC."³¹

While there are no expenditures listed for the professional public relations services rendered by Fenton Communications on behalf of the anti-Bush independent expenditure speaking tour, a review of the Fenton Communications website (www.fenton.com) indicates that the Open Society Institute, chaired and founded by George Soros, is a major client of Fenton Communications. As an incorporated grant-making non-profit, the Open Society Institute may not legally subsidize an independent expenditure campaign to defeat a candidate for federal office. While Fenton Communications appeared to be providing professional services to the Open Society Institute throughout 2004, there is nothing in the Soros FEC reports to suggest the non-profit paid for the independent expenditure campaign. Of course, there is nothing in his FEC reports to suggest anyone paid for the professional services which were such a key and arguably expensive part of the political effort in the swing states in the month before the election.

The facts clearly suggest that Fenton Communications and its professional staff (David Fenton, Jessica Smith, Carlyn Foster, Steve Smith, Kawana Lloyd and Brendan McCarthy) all provided professional services to the Soros-funded anti-Bush independent expenditure campaign. Since Mr. Soros failed to disclose payments to Fenton Communications as required by federal law for this purpose, it is impossible to know how much was paid, when and by whom.

3. Who Paid for Michael Vachon and His Expenses?

As might be expected, a multi-city speaking and media tour by a multi-billionaire can be a very expensive undertaking. Among the expenses missing from the FEC Form 5 filings signed by Mr. Soros are disclosures regarding professional personnel who assisted Mr. Soros with his independent expenditure campaign. One such individual is Mr. Michael Vachon, a longtime senior assistant to Mr. Soros. Mr.

³⁰ See "The Race for the White House; Financing His Own Anti-Bush Campaign; Billionaire George Soros plans a speaking tour in five battleground states 'to get my message out,'" by Richard Rainey, *Los Angeles Times*, September 29, 2004, page 21

³¹ See <http://www.fenton.com/team/smith.asp>

Vachon has been described in recent years as "Director of Public Affairs, Open Society Institute,"³² "a spokesman for Mr. Soros,"³³ and "a senior aide to Soros."³⁴

Mr. Vachon's involvement with Mr. Soros's political operations is well-documented. A *Wall Street Journal* account about Mr. Soros's political efforts earlier in 2004 described Mr. Vachon as "a personal assistant who is overseeing Mr. Soros's political projects."³⁵

Mr. Vachon also assisted Mr. Soros during the period when the independent expenditure campaign was operational. An Associated Press story on October 7, 2004 quoted Mr. Vachon as a "senior aide to Soros" who issued a statement on behalf of Mr. Soros.³⁶

Mr. Vachon also accompanied Mr. Soros to the conclusion of the swing-state speaking tour at the National Press Club on October 28, 2004. He interrupted a press conference being held in another room of the Club by the National Legal and Policy Center regarding Mr. Soros's independent expenditure campaign and stated that he was there with a lawyer for Mr. Soros to answer any questions.³⁷

In researching whether Mr. Vachon was on a corporate payroll as he traveled with and assisted Mr. Soros with the anti-Bush independent expenditure campaign, NLPC discovered an article in the September 20, 2004 issue of "Pensions and Investments" reporting on the possible management role of Mr. Robert Soros, son of George Soros and deputy chairman of Soros Fund Management, in Quantum Endowment Fund. The article cited Mr. Michael Vachon as "spokesman for Soros Fund Management."³⁸ The New York State Department of State, Division of Corporations, lists Soros Fund Management as a "foreign limited liability company" with an address at New York, NY 10106.³⁹ This is the same address listed by Mr. Soros on his FEC Form 5 filings disclosing his anti-Bush independent expenditure campaign expenses.

If Mr. Vachon was assisting the independent expenditure campaign while being paid by Soros Fund Management and having his trip expenses paid for by the Soros Fund Management, this arrangement would certainly appear to violate the Federal Election Campaign Act. The Act prohibits "any corporation whatever" from making

³² See: <http://www2.soros.org/emma/html/50million.html>

³³ See "New Pet Cause for the Very Rich: Swaying the Election, by Glenn Justice, *The New York Times*, September 25, 2004, page 12

³⁴ See "Panel Deluged on Advocacy Groups' Election Ads," by Lisa Getter, *The Los Angeles Times*, April 14, 2004

³⁵ See "Soros Has a Hunch Bush Can Be Best; Billionaire Puts His Weight, Money Behind Democratic Effort to Oust President in '04." By Jeanne Cummings, *The Wall Street Journal*, February 5, 2004

³⁶ See "Cheney Slip Sends Surfers to the Wrong Site," by Emily Fredrix, Associated Press, October 7, 2004

³⁷ See "Protester Mugged as Press Club Honors Nutty Billionaire," by Cliff Kincaid, *American Daily News & Commentary*, October 31, 2004, <http://www.americandaily.com/article/5630>

³⁸ See "Soros son to run fund," "Pensions and Investments," September 20, 2004, page 1

³⁹ See <http://www.dos.state.ny.us/corp/corpwww.html>

any contribution or expenditure in connection with a federal election.⁴⁰ The Act and Commission regulations define the terms "contribution" and "expenditure" to include any gift of money or "anything of value" for the purpose of influencing a federal election.

Since none of the expenditures disclosed by Mr. Soros in his FEC Form 5 reports on his anti-Bush independent expenditure campaign disclose payments to Mr. Vachon for transportation, hotel, salary, consulting fees, or any other compensation or trip-related costs, it is certainly relevant to ask how all such expenses were paid and by whom.

4. Who Paid for Soros's "Bevy of Lawyers" and the "Lawyer Who Counsels Soros on Campaign Finance," Mr. Steve Ross?

The public record indicates that Mr. Soros expended some of his ample resources for legal counsel with respect to his 2004 political efforts, including his multimillion-dollar independent expenditure campaign.

At the onset of his campaign – at the kickoff press conference at the National Press Club on September 28 – Mr. Soros was quoted in *The New York Times* as stating, "I play by the rules that prevail. I've got a bevy of lawyers who make sure that I do."⁴¹

The problem with Mr. Soros's statement is that none of his FEC Form 5 reports indicate any legal services rendered, either paid for by Mr. Soros or as an in-kind contribution.

The public record, as noted above, indicates that Mr. Vachon attended the October 28, 2004 Soros press conference with a lawyer in tow. One published account of the event named Steven Ross as the lawyer and even quoted him:

Soros's lawyer, Steven Ross, was present at the NLPC's press conference, held across the hall from where Soros later spoke.

"George Soros has conducted himself in an entirely legal fashion throughout this past year," Ross said. "All disclosures that have been required have been made. He has been exemplary in making sure that all his activity is fully disclosed to the public as required under the law."⁴²

⁴⁰ See 2 U.S.C. 441b(a)

⁴¹ See "Anti-Bush Billionaire Plans to Give More," by Katharine Q. Seelye, *The New York Times*, September 29, 2004, at page 19

⁴² See "Kerry's Vote on \$87 Billion 'Made Perfect Sense,' Says Soros," by Robert B. Blaney, CNSNews.com, October 29, 2004

Another press account identifying Mr. Ross of the Akin Gump law firm as lawyer to Mr. Soros was a September 28, 2004 Bloomberg article.⁴³ Mr. Ross was specifically identified as an attorney "who counsels Soros on campaign finance."

Any possible doubt that Mr. Ross was rendering legal services to Mr. Soros for his anti-Bush independent expenditure campaign would appear to be removed by the fact that each of the FEC Form 5 reports submitted to the Federal Election Commission with Mr. Soros's signature was submitted via email from Mr. Ross's email with the suffix "@AKINGUMP.COM." On one of the reports the email was copied to hmokhiber@AKINGUMP.COM.

5. Who Paid for the Special Printing of 50,000 Copies of Soros's Book for the Independent Expenditure Campaign?

Yet another significant expenditure made by Mr. Soros in support of his anti-Bush independent expenditure campaign which he failed to disclose on any of his FEC Form 5 reports was a special printing of his recent book, The Bubble of American Supremacy. As indicated in an October 18, 2004 *New Yorker* article, this run of 50,000 copies of a paperback version of the book was part of the independent expenditure speaking tour:

He [Soros] hired a publicist for a twelve-city, three-million dollar speaking tour. He sponsored a two-page ad containing a lengthy summary of his views in the *Wall Street Journal*, and set up a blog on which he promised to answer strangers' e-mails. Soros also asked his publisher, Public Affairs, to print an additional fifty thousand paperback copies of his recent book, "The Bubble of American Supremacy," a polemic against what Soros saw as the Bush Administration's doomed efforts to force other nations into military and economic submission.⁴⁴

Copies of the paperback book were distributed at Mr. Soros's speeches. And the book was featured in the ad paid for by Mr. Soros entitled, "Why We Must Not Re-Elect President Bush - A Personal Message From George Soros."

The role of the Soros book during the independent expenditure speaking tour has been further documented in press coverage of the tour, as illustrated by the following excerpt from an article in the *San Francisco Chronicle*:

"President Bush has shown that he is incapable of recognizing mistakes. He insists on making reality conform to his beliefs even at the expense of deceiving himself and deliberately deceiving the public," said Soros, who travels with a public relations entourage that passed out free paperback

⁴³ See "Soros Will Spend Hundreds of Millions Helping Kerry," Bloomberg, September 28, 2004 cited on the internet at: <http://www.its happening.com/showthread.php?t=63832>

⁴⁴ See "The Money Man - Can George Soros's millions insure the defeat of George Bush?," by Jane Mayer, *The New Yorker*, October 18, 2004, at page 181

copies of his new book, 'The Bubble of American Supremacy: The Costs of Bush's War in Iraq.'⁴⁵

Of course, public relations entourages and tens of thousands of free paperback books can be very expensive, but Soros has failed to disclose any expenditures to the Federal Election Commission for either category of expense which played a role in his independent expenditure campaign.

Moreover, the text of the book is an extended argument for the electoral defeat of President Bush, as indicated by the passages taken directly from a copy of the book handed out at one of Mr. Soros's speeches:

"On the other hand, it is not enough to defeat President Bush at the polls. America has to reexamine its role in the world and adopt a more constructive vision."⁴⁶

"I hope that the electorate will reject President Bush for a better reason. The reckless pursuit of American supremacy has put us and the rest of the world in danger. The only way we can extricate ourselves is by rejecting President Bush."⁴⁷

"We can regain it [the moral high ground] only by rejecting President Bush when he stands for reelection in 2004 and by adopting a more benevolent role in the world."⁴⁸

"It is all the more important to remember the main message of this book: It is not enough to defeat President Bush at the polls; we must repudiate the Bush doctrine and adopt a more enlightened vision of America's role in the world."⁴⁹

The mass distribution of fifty thousand copies of a book by George Soros explicitly calling for the defeat of a candidate in a federal race as part of a speaking tour with the same objective appears as close to a textbook example of a reportable independent expenditure as is imaginable.

6. Who Paid for Tour and Administrative Expenses?

The failure of Mr. Soros to disclose any expenditures for legal counsel, the professional public relations firm handling media, Mr. Vachon's services, printing and distribution of fifty thousand books, halls for the speeches, payments to groups

⁴⁵ See "Soros fends off critics, attacks Bush," by Edward Epstein, *San Francisco Chronicle*, October 29, 2004, page A11

⁴⁶ See *The Bubble of American Supremacy*, by George Soros, Public Affairs, 2004, page viii

⁴⁷ *Id.*, at page 74

⁴⁸ *Id.*, at page 172

⁴⁹ *Id.*, at page 190

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(including non-profits prohibited from involvement in federal election activities), and other activities may not fully cover the reportable costs required by such an expensive independent expenditure campaign.

The public record provides a number of indications that the Soros independent expenditure campaign did use telephones, office space and other resources promoting its agenda. A *Newsweek* account from their October 18, 2004 issue illustrates the point in discussing a conference call Mr. Soros held from New York City with reporters from the *Pittsburgh Post-Gazette*, *Akron Beacon Journal*, *Dayton Daily News*, and *Cedar Rapids Gazette*:

After a round of speeches and meetings in Philadelphia on Wednesday, Soros held a conference call with reporters from those little-known dailies on Thursday, answering any question they had, a disembodied voice from his well-appointed aerie above New York's Central Park.⁵⁰

The Soros FEC Form 5 reports provide no disclosures for telephone services or office rental whatsoever, let alone for a "well-appointed aerie above New York's Central Park."

With no disclosures, it is impossible know, for example, whether Mr. Soros hired special security for the trip. One article in a major magazine cited the fact that Soros's firm had hired an armed security guard for him.⁵¹ While Mr. Soros possibly had security especially hired for the tour, there are no such disclosures. Similarly, there are no expenditures for rent, telephones, office expenses, photocopying, and a host of other possible costs one might expect for an undertaking of the scope of this speaking tour.

Also absent are any reported expenditures for transportation. A multi-city tour by a multi-billionaire and a retinue of assistants surely must have generated some travel costs. None were reported by Mr. Soros. During the month the independent expenditure campaign began, September 2004, Mr. Soros was reported to be traveling to a speaking engagement in Chicago in a rented Hawker-800 jet.⁵² A good argument can be made that the expense of transporting Mr. Soros and his entourage from city to city for this swing-state political effort cost plenty in airfare, hotel accommodations, and other costs. No reasonable argument can be made that the costs involved would be below the report thresholds for 24-hour notices of independent expenditures as required federal election law.

Among the many expenditures for the Soros independent expenditure campaign which went unreported were the use of commercial media release services to

⁵⁰ See "Rich Man's Crusade: Money Wars: George Soros is spending millions to defeat George W. Bush. His critics say it's bad for democracy. Soros says Bush is worse. Inside one man's crusade to change America," by Marcus Mabry, *Newsweek*, October 18, 2004, as posted on <http://msmbc.com>

⁵¹ See "The Money Man - Can George Soros's millions insure the defeat of George Bush?", by Jane Mayer, *The New Yorker*, October 18, 2004, at page 182

⁵² *Id.*, at page 187

disseminate the Soros call for the defeat of President Bush. The opening salvo of the campaign was a September 28, 2004 media release disseminated through PR Newswire, a commercial news service, with the headline, "George Soros Launches Speaking Tour, Ad Campaign Against Bush Iraq Policies; Announces Plans to Visit 12 Cities, Mail Speech to 2 Million, Launch Website, and Advertise in Wall Street Journal, Locally."⁵³ The release closed with the line, "CONTACT: Brendan McCarthy, Jessica Smith or Steve Smith all of Fenton Communications" along with a telephone number.

The Soros independent expenditure campaign also used the commercial media release services of PR Newswire on October 28, 2004 to publicize the final speech of the campaign tour. The release, quoting Soros speaking of President Bush, stated:

"If we re-elect him now, we endorse the Bush doctrine of pre-emptive action and the invasion of Iraq, and we will have to live with the consequences."

This is a textbook example of the type of "...communication expressly advocating the election or defeat of a clearly identified candidate..." as cited in the definition of *independent expenditure* in 11 CFR §100.16(a). For good measure, the release cited the newspaper ad campaign, the 2 million piece mailer and the web page, all of which included the headline, "WHY WE MUST NOT RE-ELECT PRESIDENT BUSH."

Yet another type of activity which appears unreported by Mr. Soros is the private meal function to schmooze reporters and editors during the speaking tour. Mr. Dan Simpson, a retired U.S. Ambassador who is presently a *Pittsburgh Post-Gazette* associate editor, described just such an event during the speaking tour:

After having heard Mr. Soros speak, answer questions from the audience and talk at a private luncheon as well, I took the opportunity to corner him and ask why exactly he was doing this.⁵⁴

Left unanswered by such accounts is the question of who paid for such activities, when and how much. The fact that such sessions occurred in the midst of a tour featuring full-page newspaper ads, brochures and a paperback book all urging the defeat of President Bush leave little doubt as to the political objectives of whatever was being spent.

7. Who Paid for the Mailing Lists for the 2 Million Piece Voter Mailing?

As has been noted, a core element of the Soros anti-Bush independent expenditure effort was a mailing in October 2004. It was specifically cited in the September 28, 2004 media release:

⁵³ See Exhibit B

⁵⁴ See "Money Talks; George Soros, a very concerned citizen, is using his wealth to oppose Bush's re-election," by Dan Simpson, *Pittsburgh Post-Gazette*, October 13, 2004, at page A-17

Soros will also be mailing two million copies of the speech to voters all across the country.³⁵

While the FEC Form 5 reports filed by Soros disclosed expenditures relating to the mailing, those expenditures were described as "Mailing: printing, postage & handling," "Mailing: production manager," and "Mailing: brochure design." No expenditures whatsoever were disclosed for rental or purchase of a mailing list.

In the field of direct mail – and especially political mail being sent in the weeks just before a too-close-to-call national election – the most critical part of any mailing is the list of individuals to which the mailing is sent. A mailing of the Soros brochure with the headline "Why We Must Not Re-elect President Bush" to a list of solid Democrats who plan to vote anyway is both preaching to the choir and a waste of resources while such a mailing to rock-ribbed Bush supporters may have the unintended consequence of motivating them all the more to get out to the polls.

Arguably, the best list to mail would be a list that is very up to date and which includes voters who may be predisposed to vote against Bush but need a little more incentive. Such a list would probably originate with a party or ideological group which has canvassed or phone polled in swing states to determine which voters are in such a category. Since Soros was running an independent expenditure, there were strict legal prohibitions against coordination as a precondition for running such a campaign.

Another factor would be the cost of such a list. Disclosure of expenditures to the Federal Election Commission must use the actual value of the expenditure and in the case where an in-kind contribution is made – whether to a committee or an independent expenditure campaign – the value must be accurate.

Renting or purchasing the best possible list for a 2 million piece mailing would easily generate a reportable expenditure well in excess of the amounts which would trigger an obligation by Soros to file an FEC Form 5 report, yet none of the reports filed by Soros list any expenditures for list acquisition for the huge mailing.

Apparent Violations

1. Illegal Corporate Contributions

The corporate Respondents apparently have violated the Act by virtue of their expenditure of corporate resources to expressly advocate the defeat of President George W. Bush. The Act prohibits a 501(c)(3) corporation from engaging in any activities related to federal election other than hosting a candidate forum offering all candidates

³⁵ See Exhibit B

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the opportunity to appear at the forum or publishing a voter guide which features all candidates for the same office and expresses no opinion as to the preference for any candidate (11 C.F.R. § 114.4)

Corporate Respondents did not stage a candidate debate according to the federal regulations specified by 11 C.F.R. § 110.13. Accordingly, corporate Respondents have apparently violated the prohibitions against corporate contributions to federal candidates contained in 2 U.S.C. § 441b by spending corporate resources to promote the defeat of President George W. Bush.

Non-profit corporate respondents appear to have knowingly and willfully violated the provisions of the Act because each apparently knew the purpose of the George Soros multi-city speaking tour was to expressly advocate the defeat of George W. Bush for reelection as President. Mr. Soros's purpose was unmistakable through his own words, his full-page ads in each city and in the September 29, 2004 *Wall Street Journal*, his press releases, his "Why We Must Not Re-elect President Bush" brochure, his paperback book, widespread news coverage of his independent expenditure effort and his selection of speaking engagements in key battleground states in the final month of a too-close-to-call presidential election.

Moreover, other such organizations had no problem discerning the purpose of Soros's campaign, as reported in an October *Newsweek* article:

Often his [Soros's] requests to address swing-state audiences have been rejected – usually because organizations consider his message too partisan or controversial.⁵⁶

2. Failure to Report Independent Expenditures

Respondent George Soros has failed to report the full amount of his independent expenditures advocating the defeat of George W. Bush as President.

According to 11 CFR §100.16(a):

The term *independent expenditure* means an expenditure by a person for a communication expressly advocating the election or defeat of a clearly identified candidate that is not made in cooperation, consultation, or concert with, or at the request or suggestion of, a candidate, a candidate's authorized committee, or a political party committee or its agents.

Under 11 C.F.R. §109.10(e)(1)(iii), individuals conducting independent expenditure campaigns have a legal responsibility to disclose the "amount, date, and purpose of each expenditure."

⁵⁶ See "Rich Man's Crusade," by Marcus Mabry, *Newsweek*, October 18, 2004

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The voluminous record recounted earlier in this Complaint leaves no doubt that Soros's objective for the month-long independent expenditure campaign was to use his vast resources to finance a media effort to defeat President Bush. Indeed, Soros had been calling for the defeat of Bush for more than a year, had already donated millions to various political groups with the clearly stated aim of influencing the election, and had spent further millions in his independent expenditure campaign on ads and printed materials that stated his goal as starkly as it can be stated. The line "WHY WE MUST NOT RE-ELECT PRESIDENT BUSH" appeared in full-page newspaper ads, Soros's website and in 2 million brochures mailed a month before the election. And each of the speaking engagements was located in a battleground state which played an important role in the campaign which was considered too close to call right up to election night.

The stated objective of his multi-city tour was to act as a media platform to amplify the core message of his independent expenditure. And the opening line of his concluding press conference on October 28, 2004 in Washington, DC left little doubt as to what he was expressly advocating with the expensive roadshow:

"I have been crisscrossing the country for the last three weeks arguing against the reelection of President Bush."

Soros had an obligation to disclose the "amount, date, and purpose of each expenditure." Yet the record shows that cost of all too many elements of this expensive undertaking were never disclosed to the public, the media or the Federal Election Commission.

Among the expenditures associated with the Soros campaign which were not disclosed in any of the FEC Form 5 reports:

- the cost associated with Fenton Communications handling media relations for what one Fenton release called "an intensive one-month campaign"
- any costs – including compensation or travel costs - associated with presence on the tour of Mr. Soros's longtime aide and reported spokesman for Soros Fund Management, Mr. Michael Vachon
- any costs for what Soros described as his "bevy of lawyers," particularly Steve Ross who attended at least one of the events, apparently filed the FEC Form 5 reports for Soros and reportedly "counsels Soros on campaign finance."
- the costs associated with the special printing of a paperback version of Soros's book, calling for the defeat of President Bush, for the independent expenditure campaign
- the travel and administrative costs associated with a multi-city political tour including transportation and lodging for the billionaire and his

entourage, telephone, photocopying, commercial press release services, subsidies for groups hosting Soros, press luncheons, and a host of other costs one might normally expect for such a campaign

- the costs to purchase or rent the mailing lists required for the 2 million piece mailing of a brochure entitled, "Why We Must Not Re-elect President Bush."

Without proper disclosure of who paid for these elements of the independent expenditure campaign and how much, the public is being denied the type of information that has long been recognized as the very heart of the Federal Election Campaign Act.

In the event that any of these costs were paid by an individual, corporation or non-profit group, additional very serious questions are raised because the FEC Form 5 reports filed by Soros disclose not one cent being contributed to this effort by anyone other than Soros himself.

Indeed, to believe that nothing was spent is to believe that the publisher of the 50,000 books charged nothing for their printing, that a billionaire and his entourage somehow conducted a multi-city tour with absolutely no travel or lodging bills, that a 2 million name mailing list must have somehow dropped from the sky and that a high-powered public relations firm that has Soros's Open Society Institute charity as a client took the month of October as personal vacation and volunteered their efforts without charge or even reimbursement for expenses.

In short, to believe that none of the activities just described cost anything is to believe the impossible. Similarly, just how believable is it that a Washington lawyer from a top firm with a billionaire client would provide such counsel without charge?

3. Failure to File Timely FEC Form 5 Reports

Not only did the Soros independent expenditure campaign leave out many costly expenditures associated with its intense, month-long effort, but at least one of the handful of FEC Form 5 reports filed was not delivered on the strict 24-hour deadlines required by both the Act and regulations.

The Federal Election Commission has summarized the reporting duties for those conducting Independent Expenditure campaigns in the final months of campaigns involving candidates for federal office in an article entitled, "Independent Expenditures for September and October,"⁵⁷:

"Individuals, political committees, and other groups making independent expenditures must file additional reports to disclose their

⁵⁷ See "Independent Expenditures for September and October," *Record*, Federal Election Commission, December 2004, Volume 30, Number 12, at page 7

activity within 48 hours each time spending exceeds \$10,000 for a given election during a calendar year. During the final 20 days of the campaign, up to 24 hours before the election, independent expenditures aggregating \$1,000 or more must be reported within 24 hours."

According to the FEC Form 5 Report filed by Mr. Soros on November 4, 2004, he spent \$132,577.39 on "website production/internet advertising" on November 2, 2004. Under 11 CFR §109.10(d), Mr. Soros had 24 hours to report the expenditure yet he failed to do so until November 4, 2004, two days after the election.

Additionally, it is extremely difficult to believe that expenditures for the multi-million dollar independent expenditure campaign did not first occur until September 28, 2004 – the date of the first disclosed expenditure in Soros's FEC Form 5 report – when on September 28, he held a major press conference at the National Press Club, announced a multi-city tour, and ran a two-page ad in the *Wall Street Journal* the next day.

Conclusion

The gravamen of this complaint is quite simple: under the Federal Election Campaign Act and Federal Election Commission regulations, independent expenditures expressly advocating the defeat of a clearly identified candidate for Federal office must be disclosed.

Virtually all of the essential facts of this case are from public sources and are easily and voluminously documented.

In the decades since the passage of the Federal Election Campaign Act, the FEC has been called upon many times to protect the integrity of the very heart of that Act, public disclosure of campaign financial information.

Dodgy practices of all sorts meant to frustrate public disclosure have been investigated, exposed and penalized.

This case may well represent the quintessential reason for public disclosure. A multi-billionaire who had already put tens of millions of dollars into efforts to influence a close presidential race decided to pour in millions more in a final attempt to influence the outcome. For reasons best known to him, he decides to not disclose many of the costs of his effort. This failure to publicly disclose these major expenditures that could have potentially changed the outcome of a presidential election makes a mockery of the election law. And it makes many past violations of the public disclosure provisions of election law pale in comparison.

If a multi-billionaire can hire an entourage of media professionals, run a swing state road show just prior to a close election distributing tens of thousands of books the "main message" of which is to defeat a candidate for federal office, and spend untold

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amounts on expenditures related to the avowed objective of influencing an election—and fail to disclose these expenditures - then this amounts to more than a loophole. It is tantamount to repealing the concept of public disclosure that is at the core of federal election law.

Whatever the Federal Election Commission decides to do with this case will send a message that will reverberate for years. I urge the FEC to conduct a full and prompt investigation into this questionable independent expenditure campaign. Anything less will undermine the confidence of the public in the integrity of the campaign finance disclosure system.

Complainant, upon information and belief and relying on personal knowledge and the exhibits attached hereto as evidence of the possible violations of law set forth above, hereby swears under penalty of perjury that the statements and facts of the Complaint are true to the best of his knowledge and belief.


Peter T. Flaherty

Subscribed and sworn to before me on this 18 of January, 2005.


Notary Public

SEAL

SHAMALA ULLAH
NOTARY PUBLIC
FOR FAIRFAX, VA

My Commission Expires:

MY COMMISSION EXPIRES ON 09/31/2006

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EXHIBITS

EXHIBIT A

World Affairs Council of Philadelphia, Program for October 6, 2004 luncheon featuring George Soros

World Affairs Council of Philadelphia webpage promoting Soros Event, describing Soros as "well known for his backing of the Democratic Party's campaign for the Presidency, and thanking the Eastern Technology Council "for its support for this event."

EXHIBIT B

News Releases prepared by Fenton Communications for Soros's independent expenditure campaign and posted via www.georgesoros.com and distributed through PR Newswire.

EXHIBIT C

Direct mail brochure mailed by George Soros to 2 million voters in the month prior to the 2004 election. Titled "Why We Must Not Re-elect President Bush," the brochure certainly appears to be "a communication expressly advocating the election or defeat of a clearly identified candidate," as per the definition of *independent expenditure* in 11 CFR § 100.16(a) yet the Soros independent expenditure disclosures to the Federal Election Commission disclose no record of payment for rental of lists containing 2 million voter names.

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EXHIBIT A

**World Affairs Council of Philadelphia, Program for October 6.
2004 luncheon featuring George Soros**

**World Affairs Council of Philadelphia webpage promoting Soros
Event, describing Soros as "well known for his backing of the
Democratic Party's campaign for the Presidency, and thanking the
Eastern Technology Council "for its support for this event."**

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The generous support of the members of the World Affairs Council of Philadelphia's makes our Education Department's programs possible.

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It was fascinating to listen to a man with so much experience in the area of foreign policy, especially in this time of political turmoil. I am aware that few students my age are given the chance to listen to such an important personage. Thank you, again, for allowing me the opportunity to attend such a stimulating and exciting event."

Urban Kwon, Eastern Regional High School, Votham, New Jersey (on the program featuring Senator Joseph Biden on September 11, 2002.)

...a wonderful opportunity to become more aware of the world situation and thus a more active citizen..." Jessica Miller, Phoenixville High School

Yes, I'd like to be a member of the World Affairs Council of Philadelphia and know that my membership helps reach out to more than 30,000 students annually.

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WORLD AFFAIRS COUNCIL
of Philadelphia

presents

George Soros
Chairman,
Soros Fund Management LLC

Wednesday, October 6, 2004

Union League of Philadelphia

For its support, the Council thanks

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About our speaker...

George Soros was born in Budapest, Hungary on August 12, 1930. He survived the Nazi occupation of Budapest and left communist Hungary in 1947 for England, where he graduated from the London School of Economics.

In 1956, Soros moved to the United States, where he began to accumulate a fortune through an international investment fund he founded and managed.

Soros has been active as a philanthropist since 1979, when he began providing funds to help black students attend the University of Cape Town in apartheid South Africa. Today he is chairman of the Open Society Institute (OSI) and founder of a network of philanthropic organizations that are active in more than 50 countries. Based primarily in Central and Eastern Europe and the former Soviet Union – but also in Africa, Latin America, Asia, and the United States – these foundations are dedicated to building and maintaining the infrastructure and institutions of an open society.

Soros is the author of eight books, including *The Bubble of America Supremacy: Correcting the Misuse of American Power*; *George Soros on Globalization*; and *Soros on Soros: Staying Ahead of the Curve*.

About our sponsor...

Alta Management provides project management and real estate development services to public and private clients in the Mid-Atlantic area. Clients include municipal, county and state governments. Alta assists clients in managing a project from initial design, through procurement, and construction. Current public projects include a new 800 MHz radio system for the City of Philadelphia, and a new Judicial Center for the Pennsylvania courts in Harrisburg, Pennsylvania, which is planned to be completed in 2008.

Alta has just completed Museum Commons at Fairmount, a private condominium development with 30 homes in the Art Museum area of Philadelphia. Alta managed the project from initial property acquisition through zoning, design, construction, and marketing of the homes. Construction and sales of all 30 homes were completed within 21 months.

The Council also thanks the Eastern Technology Council for their support of this program. The Technology Council serves leaders of technology-oriented companies by providing valuable contacts, capital, and information with a broad variety of events, publications, and innovative services.

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Now Taking Reservations...

Saturday, October 16
ELECTION YEAR GALA
An unconventional evening of singing, dancing, and political comedy

Tuesday, October 12 - Evening
ELECTION '04
Polling Mothers:
Why Leaders Must Listen to the Wisdom of the People

Frank Newport, Editor-in-Chief, The Gallup Poll

Tuesday, October 26 - Evening
East Asia: A Conversation Between Experts

The Hon. James Lilley, former Ambassador to China
George Packard, President, U.S.-Japan Foundation

Thursday, October 28 - Luncheon
Lou Dobbs
Anchor and Managing Editor, CNN's *Lou Dobbs Tonight*

Program flyers are available in the registration area
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Visit this beautiful, peaceful country for the "great migration" of the Serengeti, and political and economic insights. \$5,950 plus airfare.

INSIDE LIBYA - MARCH 11-20, 2005
Visit the magnificent Roman ruins of Leptis Magna and Sabratha. Visit the desert. Beba's settlement at Ghadames. \$5,950 plus airfare.

INSIDE WASHINGTON - APRIL 11-16, 2005
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MID-DAY PROGRAMS

Just Confirmed!

Join

George Soros

for a town hall-style discussion of...

America's Role in the World and the Election

Wednesday, October 6, 2004 - Luncheon

Is the billionaire speculator the Democrats' most powerful weapon?

"Soros is not a man you despise lightly. In his financial career, he spotted unsustainable bubbles with enviable skill. His Quantum Fund averaged 31 percent returns for more than a decade and left him with a personal fortune of \$7 billion. But is Soros' talent not a winner?"

- Sebastian Mallaby, *State on-line magazine*

George Soros is chairman of Soros Fund Management LLC, chairman of the Open Society Institute (OSI) and founder of a network of philanthropic organizations that are active in more than 80 countries. He is widely known for his generous financial backing of the Democratic Party's campaign for the presidency.

Location: The Union League of Philadelphia, 140 S. Broad Street (business attire required)

Schedule: Registration: 11:30am; Lunch: 12:15pm; Program: 12:45pm

Cost: Luncheon and program \$65

The Council would like to thank The Eastern Technology Council for its support of this event.

Register: Online reservations accepted until 10/1

[Return to top](#)

Join

Lou Dobbs

Exporting America

Thursday, October 28, 2004 - Luncheon

Lou Dobbs is the anchor and managing editor of CNN's Lou Dobbs Tonight, as well as a columnist for Money magazine and a contributing editor to U.S. News and World Report. He also publishes *The Lou Dobbs Money Letter*. Dobbs has been the winner of nearly every major award for television journalism. His coverage of the stock market crash won him the George Foster Peabody Award.

Join us as Mr. Dobbs discusses one of the most explosive economic issues of our time - the shift of U.S. jobs to inexpensive foreign labor markets.

Location: Philadelphia Marriott, 1201 Market Street; Reception in Conderge Lounge, 9th Floor; Luncheon and Program in Liberty Ballroom

Schedule: Registration - 11:30am; Luncheon - 12:00pm; Program - 12:45pm; Adjournment - 1:45pm

Cost: Reception, lunch, program, signed book: \$90/members, \$100/non-members; Lunch, program, book: \$65/members, \$75/non-members; Program only: \$20/members, \$25/non-members

The Council would like to thank The Eastern Technology Council for its support of this event.

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EXHIBIT B

**News Releases prepared by Fenton Communications for Soros's
independent expenditure campaign and posted via
www.georgesoros.com and distributed through PR Newswire.**

GeorgeSoros

WHY WE MUST NOT RE-ELECT PRESIDENT BUSH

www.GeorgeSoros.com

Audio & Video

"George Soros: In His Words"
Documentary on LinkTV - 10/
23/04

Q&A with George Soros at
Breakfast Lyceum in
Harrisburg, PA following his
speech - 10/19/04

At George Washington
University - 10/18/04

More Audio & Video

FOR IMMEDIATE RELEASE - October 2004
Contact: Tessie Smith or Brendan McGilley
Fenton Communications, 202-872-5200

GEORGE SOROS ON TOUR TO CHALLENGE BUSH ON IRAQ WAR, FOREIGN POLICY

*In Election's Final Month, Billionaire Philanthropist Visits 12 Cities, Runs
Ads, Meets Speech to 2 Million Voters, and Launches Web site*

Diplomats and Military Commanders for Change Join Soros On Tour

Billionaire philanthropist and scholar George Soros is traveling the country on an intensive one-month campaign to focus voter attention on the war in Iraq and to bring his case to the American people for changing the direction of American foreign policy.

In a speech to be delivered in 12 cities in four weeks, Soros strongly criticizes President Bush's foreign policy, from the war in Iraq to his management of the war on terror. "Bush's war in Iraq has done untold damage to the United States," Soros charges. "If we re-elect him now, we endorse the Bush doctrine of preemptive action and the invasion of Iraq, and we will have to live with the consequences."

Criticizing the Iraq War's impact on the struggle against terrorism and Al-Qaeda, Soros goes on to call the invasion "Bush's unintended gift to Osama Bin Laden." In launching this effort, Soros aims to spark a full and fair discussion of the issues, a process he calls "essential to a democracy." "Of the Bush administration's efforts to silence criticism of the war by calling it 'unpatriotic' Soros said, 'I heard alarm bells ringing. I am afraid that he is leading us in a very dangerous direction. We are losing the values that have made America great.'"

Joining Soros at the tour's launch in Washington, DC at the end of September were retired General Wesley Clark and former Ambassador Arthur Hartman, speaking on behalf of Diplomats and Commanders for Change.

Introducing Soros, Clark said, "George Soros is sounding the alarm for the American people. Few people in the United States understand better than George Soros the risks to America's world leadership of this administration's foreign policy. I am very pleased to stand with him today to support his work to highlight the costs of this misguided war in Iraq and the need for a change in this country's leadership."

Members of Diplomats and Military Commanders for Change (DMCC) participated in the press conference and will join Soros for parts of the tour. The group, founded in June by 27 career chiefs of mission and retired four-star military leaders, is also dedicated to highlighting concerns about the direction of U.S. foreign and defense policy under George W. Bush.

Speaking on behalf of the group, Ambassador Arthur Hartman said, "Never before have so

Soros responds

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answers to e-mail questions.

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message? Tell him.
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More from Soros tour

Media Advisory: George Soros
ends speaking tour on Bush
Iraq policies in Washington, DC
- 10/28/04

Download latest New York
Times ad (PDF) - 10/26/04

Transcript of Q&A with George
Soros at Breakfast Lyceum in
Harrisburg, PA following his
speech - 10/19/04

Read tour press release

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Download Wall Street Journal
ad (PDF)

Download Soros' personal
message (PDF)

The Diplomats and Military
Commanders for Change are
pleased to support the effort
that George Soros has
undertaken to speak out on
the failure of George Bush's
foreign policy, the crisis in
Iraq, and the need for a new
direction in our country's
foreign policy.
diplomatsforchange.com

Blog post archives

09/27/2004 - 10/07/2004
10/04/2004 - 10/10/2004
10/11/2004 - 10/17/2004
10/18/2004 - 10/24/2004
10/25/2004 - 10/31/2004

many retired diplomats and military commanders come together to warn the country we served and love that we need a change in leadership and direction. We are thrilled to join George Soros in this effort and to support his work to bring these fundamental issues to the American people."

Soros' tour will take him to the following cities in the month of October: Philadelphia, Harrisburg and Pittsburgh, Pennsylvania; Columbus, Cleveland and Akron, Ohio; Sarasota and Miami, Florida; Boston, Massachusetts; Des Moines, Iowa; and Minneapolis, Minnesota. In each city, he will give a public speech, meet with local media and take out newspaper advertisements. The first ad ran nationally as a two-page centerfold spread in The Wall Street Journal.

Soros has also launched a new Web site, www.GeorgeSoros.com, as well as a significant Internet advertising campaign to draw attention to his views, which are posted on the site. Soros has also mailed 2 million copies of his speech to voters all across the country.

The speaking tour coincides with the release of his most recent book, *The Bubble of American Supremacy: The Costs of Bush's War in Iraq*, in paperback.

George Soros

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PR Newswire



George Soros Launches Speaking Tour, Ad Campaign Against Bush Iraq Policies

Website

Announces Plans to Visit 12 cities, Mail Speech to 2 Million, Launch Website, and Advertise in Wall Street Journal, Locally

General Wesley Clark, Diplomats and Military Commanders for Change Join Soros to Kick-Off Tour

WASHINGTON, Sept. 28 /PRNewswire/ -- George Soros today launched an intensive one-month campaign to focus voter attention on the war in Iraq and take his case to the American people for changing the direction of American foreign policy.

In a speech at the National Press Club in Washington, Soros strongly criticized President Bush's foreign policy, from the war in Iraq to his management of the war on terror.

"Bush's war in Iraq has done untold damage to the United States," Soros said. "If we re-elect him now, we endorse the Bush doctrine of preemptive action and the invasion of Iraq, and we will have to live with the consequences."

Criticizing the Iraq War's impact on the struggle against terrorism and Al-Qaeda, Soros called the invasion "Bush's unintended gift to Osama Bin Laden" and questioned the claim that the war in Iraq has made us safer. "The opposite is true," he argued. "President Bush failed to finish off bin Laden when he was cornered in Afghanistan because he was gearing up to attack Iraq. And the invasion of Iraq bred more people willing to risk their lives against Americans than we are able to kill."

In launching this effort, Soros aims to spark a full and fair discussion of the issues, a process he calls "essential to a democracy." Of the Bush administration's efforts to silence criticism of the war by calling it "unpatriotic" Soros said, "I heard alarm bells ringing. I am afraid that he is leading us in a very dangerous direction. We are losing the values that have made America great."

Joining Soros at the speech were retired General Wesley Clark and former Ambassador Arthur Hartman, speaking on behalf of Diplomats and Commanders for Change.

Introducing Soros, Clark said, "George Soros is sounding the alarm for the American people. Few people in the United States understand better than George Soros the risks to America's world leadership of this administration's foreign policy. I am very pleased to stand with him today to support his work to highlight the costs of this misguided war in Iraq and the need for a change in this country's leadership."

Members of Diplomats and Military Commanders for Change (DMCC) participated in the press conference and will join Soros for parts of the tour. The group, founded in June by 27 career chiefs of mission and retired

four-star military leaders, is also dedicated to highlighting concerns about the direction of U.S. foreign and defense policy under George W. Bush.

Speaking on behalf of the group, Ambassador Arthur Hartman said, "Never before have so many retired diplomats and military commanders come together to warn the country we served and love that we need a change in leadership and direction. We are thrilled to join George Soros in this effort and to support his work to bring these fundamental issues to the American people."

Soros' tour will take him to at least 11 cities in the month of October, including: Philadelphia, Harrisburg and Pittsburgh, Pennsylvania; Columbus, Cleveland and Akron, Ohio; Sarasota and Miami, Florida; Boston, Massachusetts; Des Moines, Iowa; and Minneapolis, Minnesota. In each city, he will give a public speech, meet with local media and take out newspaper advertisements. The first ad will run nationally as a two-page centerfold spread in Wednesday's Wall Street Journal.

Today, Soros is launching a new web site, <http://www.GeorgeSoros.com>, as well as a significant internet advertising campaign to draw attention to his views which will be posted on the site. At the site, visitors will be able to download a chapter of his book and copies of his speech as well as post response to Soros' speech. Soros will also be mailing two million copies of the speech to voters all across the country.

The speaking tour coincides with the release of his most recent book, *The Bubble of American Supremacy: The Costs of Bush's War in Iraq*, in paperback.

SOURCE George Soros
Web Site: <http://www.GeorgeSoros.com>

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EXHIBIT C

Direct mail brochure mailed by George Soros to 2 million voters in the month prior to the 2004 election. Titled "Why We Must Not Re-elect President Bush," the brochure certainly appears to be "a communication expressly advocating the election or defeat of a clearly identified candidate," as per the definition of *independent expenditure* in 11 CFR § 100.16(a) yet the Soros independent expenditure disclosures to the Federal Election Commission disclose no record of payment for rental of lists containing 2 million voter names.

George Soros



**Go to www.GeorgeSoros.com
to find out why this is
the most important election
of your lifetime.**

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Dr. George H.W. Bush

I made billions as an investor and businessman.

I've spent most of my life promoting freedom
and fighting communism around the world.

This November's election
is the most important election in our

I believe President Bush has harmed the world and
our economy and our country,
and that he should not be re-elected.

Find out why
in the enclosed memorandum, "The
and at www.georgewhush.com.

A Personal Message From George Soros



*In business, I made billions as an investor, more than my family will ever need. I have given away billions promoting freedom and fighting Communism around the world. I have assisted the birth of new democracies in Eastern Europe and supported intervention in Bosnia and Kosovo. I condemned the invasion of Iraq for reasons I explain in this pamphlet and in my book **The Bubble of American Supremacy: The Costs of Bush's War in Iraq**.*

Born in Hungary, I lived through fascism and the Holocaust, and then had a foretaste of communism. I learned at an early age how important it is what kind of government prevails. I chose America as my home because I value freedom and democracy, civil liberties and an open society.

This is the most important election of my lifetime because President Bush is endangering our safety, hurting our vital interests and undermining American values.

Using the war on terror as a pretext, the President dragged us into an unnecessary war in Iraq that has become a quagmire. He turned the spontaneous outpouring of world sympathy after 9/11 into equally widespread resentment. He suppressed debate by labeling all criticism unpatriotic.

If we re-elect him, we endorse the Bush doctrine of preemptive action and the invasion of Iraq, and we will have to live with the consequences. As I shall try to show, we are facing a vicious circle of escalating violence with no end in sight. But if we repudiate the Bush policies at the polls, we shall have a better chance to regain the respect and support of the world and to break the vicious circle. Our future, and the future of the world, is at stake.

*I hope you will read this pamphlet and my book, **The Bubble of American Supremacy: The Costs of Bush's War in Iraq**. For the text, comments, discussion and further information, please visit www.GeorgeSoros.com.*

Thank you for your consideration,

A handwritten signature in cursive script, appearing to read 'George Soros'.

George Soros

Why We Must Not Re-elect President Bush

This is the most important election of my lifetime. I have never been heavily involved in partisan politics but these are not normal times. President Bush is endangering our safety, hurting our vital interests and undermining American values. That is why I am sending you this message. I have been demonized by the Bush campaign but I hope you will give me a hearing.

President Bush ran on the platform of a "humble" foreign policy in 2000. If we re-elect him now, we endorse the Bush doctrine of preemptive action and the invasion of Iraq, and we will have to live with the consequences. As I shall try to show, we are facing a vicious circle of escalating violence with no end in sight. But if we repudiate the Bush policies at the polls, we shall have a better chance to regain the respect and support of the world and to break the vicious circle.

I grew up in Hungary, lived through fascism and the Holocaust, and then had a foretaste of communism. I learned at an early age how important it is what kind of government prevails. I chose America as my home because I value freedom and democracy, civil liberties and an open society.

When I had made more money than I needed for myself and my family, I set up a foundation to promote the values and principles of a free and open society. I started in South Africa in 1979 and established a foundation in my native country, Hungary, in 1984 when it was still under communist rule. China, Poland and the Soviet Union followed in 1987. After the Berlin Wall fell in 1989, I established foundations in practically all the countries of the former Soviet empire and later in other parts of the world and in the United States. These foundations today spend about 450 million dollars

a year to promote democracy and open society around the world.

When George W. Bush was elected president, and particularly after September 11, I saw that the values and principles of open society needed to be defended at home. September 11 led to a suspension of the critical process so essential to a democracy – a full and fair discussion of the issues. President Bush silenced all criticism by calling it unpatriotic. When he said that "either you are with us, or you are with the terrorists," I heard alarm bells ringing. I am afraid that he is leading us in a very dangerous direction. We are losing the values that have made America great.

The destruction of the twin towers of the World Trade Center was such a horrendous event that it required a strong response. But the President committed a fundamental error in thinking: the fact that the terrorists are manifestly evil does not make whatever counter-actions we take automatically good. What we do to combat terrorism may also be wrong. Recognizing that we may be wrong is the foundation of an open society. President Bush admits no doubt and does not base his decisions on a careful weighing of reality. For 18 months after 9/11 he managed to suppress all dissent. That is how he could lead the nation so far in the wrong direction.

President Bush inadvertently played right into the hands of bin Laden. The invasion of Afghanistan was justified: that was where bin Laden lived and al Qaeda had its training camps. The invasion of Iraq was not similarly justified. It was President Bush's unintended gift to bin Laden.

War and occupation create innocent victims. We

count the body bags of American soldiers; there have been more than 1,000 in Iraq. The rest of the world also looks at the Iraqis who get killed daily. There have been at least 15 times more. Some were trying to kill our soldiers; far too many were totally innocent, including many women and children. Every innocent death helps the terrorists' cause by stirring anger against America and bringing them potential recruits.

Immediately after 9/11 there was a spontaneous outpouring of sympathy for us worldwide. It has given way to an equally widespread resentment. There are many more people willing to risk their lives to kill Americans than there were on September 11 and our security, far from improving

hate us for what we are – a freedom loving people – not what we do. Well, he is wrong on that. He also claims that the torture scenes at Abu Graib prison were the work of a few bad apples. He is wrong on that too. They were part of a system of dealing with detainees put in place by Defense Secretary Donald Rumsfeld and our troops in Iraq are paying the price.

How could President Bush convince people that he is good for our security, better than John Kerry? By building on the fears generated by the collapse of the twin towers and fostering a sense of danger. At a time of peril, people rally around the flag and President Bush has exploited this. His campaign is based on the assumption that people do not

President Bush inadvertently played right into the hands of bin Laden.

as President Bush claims, is deteriorating. I am afraid that we have entered a vicious circle of escalating violence where our fears and their rage feed on each other. It is not a process that is likely to end any time soon. If we re-elect President Bush we are telling the world that we approve his policies – and we shall be at war for a long time to come.

I realize that what I am saying is bound to be unpopular. We are in the grip of a collective misconception induced by the trauma of 9/11, and fostered by the Bush administration. No politician could say it and hope to get elected. That is why I feel obliged to speak out. There is a widespread belief that President Bush is making us safe. The opposite is true. President Bush failed to finish off bin Laden when he was cornered in Afghanistan because he was gearing up to attack Iraq. And the invasion of Iraq bred more people willing to risk their lives against Americans than we are able to kill – generating the vicious circle I am talking about.

President Bush likes to insist that the terrorists

really care about the truth and they will believe practically anything if it is repeated often enough, particularly by a President at a time of war. There must be something wrong with us if we fall for it. For instance, about 40% of the people still believe that Saddam Hussein was connected with 9/11 – although it is now definitely established by the 9/11 Commission, set up by the President and chaired by a Republican, that there was no connection. I want to shout from the roof tops: "Wake up America. Don't you realize that we are being misled?"

President Bush has used 9/11 to further his own agenda which has very little to do with fighting terrorism. There was an influential group within the Bush administration led by Vice President Dick Cheney that was itching to invade Iraq long before 9/11. The terrorist attack gave them their chance. If you need a tangible proof why President Bush does not deserve to be re-elected, consider Iraq.

The war in Iraq was misconceived from start to finish – if it has a finish. It is a war of choice, not

necessity, in spite of what President Bush says. The arms inspections and sanctions were working. In response to American pressure, the United Nations had finally agreed on a strong stand. As long as the inspectors were on the ground, Saddam Hussein could not possibly pose a threat to our security. We could have declared victory but President Bush insisted on going to war.

We went to war on false pretences. The real reasons for going into Iraq have not been revealed to this day. The weapons of mass destruction could not be found, and the connection with al Qaeda could not be established. President Bush then claimed that we went to war to liberate the people of Iraq. All my experience in fostering democracy

The number of flipflops and missteps committed by the Bush administration in Iraq far exceeds anything John Kerry can be accused of. First we dissolved the Iraqi army, then we tried to reconstitute it. First we tried to eliminate the Baathists, then we turned to them for help. First we installed General Jay Garner to run the country, then we gave it to Paul Bremer and when the insurgency became intractable, we installed an Iraqi government. The man we chose was a protégé of the CIA with the reputation of a strong man – a far cry from democracy. First we attacked Falluja over the objections of the Marine commander on the ground, then pulled them out when the assault was half-way through, again over his objections. "Once you commit, you got to stay

President Bush admits no doubt and does not base his decisions on a careful weighing of reality.

and open society has taught me that democracy cannot be imposed by military means. And, Iraq would be the last place I would choose for an experiment in introducing democracy – as the current chaos demonstrates.

Of course, Saddam was a tyrant, and of course Iraqis – and the rest of the world – can rejoice to be rid of him. But Iraqis now hate the American occupation. We stood idly by while Baghdad was ransacked. As the occupying power, we had an obligation to maintain law and order, but we failed to live up to it. If we had cared about the people of Iraq we should have had more troops available for the occupation than we needed for the invasion. We should have provided protection not only for the oil ministry but also the other ministries, museums and hospitals. Baghdad and the country's other cities were destroyed after we occupied them. When we encountered resistance, we employed methods that alienated and humiliated the population. The way we invaded homes, and the way we treated prisoners generated resentment and rage. Public opinion condemns us worldwide.

committed," he said publicly. More recently, we started bombing Falluja again.

The Bush campaign is trying to put a favorable spin on it, but the situation in Iraq is dire. Much of the Western part of the country has been ceded to the insurgents. Even the so-called Green Zone (a small enclave in the center of Baghdad where Americans live and work) is subject to mortar attacks. The prospects of holding free and fair elections in January are fast receding and civil war looms. President Bush received a somber intelligence evaluation in July but he has kept it under wraps and failed to level with the electorate.

Bush's war in Iraq has done untold damage to the United States. It has impaired our military power and undermined the morale of our armed forces. Before the invasion of Iraq, we could project overwhelming power in any part of the world. We cannot do so any more because we are bogged down in Iraq. Afghanistan is slipping from our control. North Korea, Iran, Pakistan and other countries are pursuing nuclear programs with renewed vigor and many other problems remain unattended.

By invading Iraq without a second UN resolution, we violated international law. By mistreating and even torturing prisoners, we violated the Geneva conventions. President Bush has boasted that we do not need a permission slip from the international community, but our actions have endangered our security — particularly the security of our troops.

Our troops were trained to project overwhelming power. They were not trained for occupation duties. Having to fight an insurgency saps their

It is a quagmire that many predicted. I predicted it in my book, *The Bubble of American Supremacy*. I was not alone: top military and diplomatic experts desperately warned the President not to invade Iraq. But he ignored their experienced advice. He suppressed the critical process. The discussion about Iraq remains stilted even during this presidential campaign because of the notion that any criticism of our Commander-in-Chief puts our troops at risk. But this is Bush's war, and he ought to be held responsible for it.

There is a widespread belief that President Bush is making us safe. The opposite is true.

morale. Many of our troops return from Iraq with severe trauma and other psychological disorders. Sadly, many are also physically injured. After Iraq, it will be difficult to recruit people for the armed forces and we may have to resort to conscription.

There are many other policies for which the Bush administration can be criticized but none are as important as Iraq. Iraq has cost us more than 150 billion dollars so far — an enormous sum. It could have been used much better elsewhere. The costs are going to mount because it was much easier to get into Iraq than it will be to get out of there. President Bush has been taunting John Kerry to explain how he would do things differently in Iraq. John Kerry has responded that he would have done everything differently and he would be in a better position to extricate us than the man who got us in there. But it won't be easy for him either, because we are caught in a quagmire.

It's the wrong war, fought the wrong way. Step back for a moment from the cacophony of the election campaign and reflect: who got us into this mess? In spite of his Texas swagger, George W. Bush does not qualify to serve as our Commander-in-Chief.

There is a lot more to be said on the subject and I have said it in my book, *The Bubble of American Supremacy*, now available in paperback. I hope you will read it. You can download the chapter on the Iraqi quagmire free from www.GeorgeSoros.com.

If you find my arguments worth considering, please share this message with your friends.

I would welcome your comments at www.GeorgeSoros.com. I am eager to engage in a critical discussion because the stakes are so high.

*George Soros is Chairman of Soros Fund Management LLC. He was born in Budapest in 1930. He survived the Nazi occupation and fled communist Hungary in 1947 for England, where he graduated from the London School of Economics. He then settled in the United States, where he accumulated a large fortune through an international investment fund he founded and managed. Mr. Soros has been active as a philanthropist since 1979, when he began providing funds to help black students attend Capetown University in apartheid South Africa. He has established a network of philanthropic organizations active in more than 50 countries around the world. These organizations are dedicated to promoting the values of democracy and open society. The foundation network spends about \$450 million annually to promote these goals. Mr. Soros is the author of eight books including, most recently, *The Bubble of American Supremacy: The Costs of Bush's War In Iraq*. His articles and essays on politics, society, and economics regularly appear in major newspapers and magazines around the world.*

PRAISE FOR *THE BUBBLE OF AMERICAN SUPREMACY: THE COSTS OF BUSH'S WAR IN IRAQ*

"Soros' intensely polemical but also succinct and well-reasoned book ought to provide a welcome template for how the candidates might begin to think their way through to a more coherent view of America's place in the world."

Los Angeles Times Book Review, May 23, 2004.

"[Soros's] strength is in grasping the big picture, determining how he can make a difference, and succeeding in improving the world."

Washington Post Book World, February 29, 2004

"Soros offers historical perspective, social theory, and his own keen observational skills to make his points. This may be the one anti-Bush book that reaches an audience beyond the Democratic amen corner."

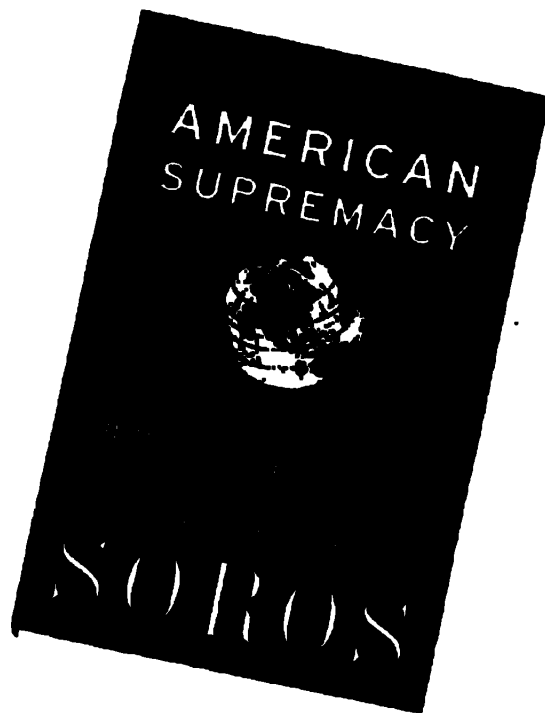
Booklist, December 15, 2003

"A spirited, polemical book from a man who wants passionately to defend American values from the threat of the careless arrogance embodied by the Bush administration. George Soros brilliantly demonstrates how the mechanisms that have made us strong—market capitalism, the rule of law, and our moral authority—are at risk from the supremacist attitudes of some in Washington. This is a timely, urgent, essential critique, offering a necessary corrective to prevent a catastrophic collapse of American global influence."

Prof. Joseph Stiglitz, author

GLOBALIZATION AND ITS DISCONTENTS and THE ROARING NINETIES

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